Calendar No. 611

97TH CONGRESS
2d Session

SENATE

REPORT
No. 97-429

INTERNATIONAL COMMUNICATION AGENCY AUTHORIZATION ACT, FISCAL YEAR 1983

MAY 26 (legislative day, MAY 25), 1982.—Ordered to be printed

Mr. BAKER (for Mr. PERCY), from the Committee on Foreign Relations, submitted the following

REPORT

[To accompany S. 2581]

The Committee on Foreign Relations, having had under consideration an original bill (S. 2581) to authorize additional appropriations for the fiscal year 1983 for the operations of the International Communication Agency, and for other purposes, reports favorably thereon and recommends that the bill do pass.

BACKGROUND

The International Communication Agency (ICA) was established by Reorganization Plan No. 2 of 1977 and began operations on April 1, 1978. It is based on a consolidation of the former U.S. Information Agency and the former Bureau of Educational and Cultural Affairs of the Department of State. Its legislative mandate derives from the Smith-Mundt Act of 1948 and the Fulbright-Hayes Act of 1961. The purpose of the former act is to "increase mutual understanding between the peoples of the United States and the people of other countries." It also prohibits dissemination within the United States of materials produced for distribution overseas. The latter act delineates how the nation's educational and exchange programs should be administered.

PURPOSE

The primary purpose of this legislation is to provide an authorization of appropriations of $559,000,000 for the operations of ICA for fiscal year 1983. This amount represents an increase of $76,660,000 over the amount the Administration originally requested which was contained in S. 1193, a bill pending before a House-Senate Conference which passed the Senate on June 18, 1981. The Executive Branch stated that this increase is necessary primarily to cover "added requirements for construction of new Voice of America relay stations over-

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seas, international education and foreign language activities to be transferred from the Department of Education and added costs of Agency operations attributable mainly to overseas wage cost increases."

Other Provisions of the Bill

The bill also contains provisions which make certain changes in administrative authorities which have been requested by the Administration. These provisions would accomplish the following:

(1) Permit the International Communication Agency to credit tuition fees and other payments received in connection with the Agency's English-teaching programs to ICA's applicable appropriation; and

(2) Clarify the authority of the heads of foreign affairs agencies to establish procedures for the movement of senior foreign service officers from one senior executive service level to another within class without the need for reconfirmation.

Committee Comments

In addition to the various authorities contained in this bill, the Administration requested an amendment to section 804(1) of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1474(1)) to clarify ICA's authority to employ aliens for translation and narration or preparation and production of foreign language programming. ICA requested an amendment to the law to enable the Agency to employ aliens when "equally or better" qualified U.S. citizens were not available.

Under existing law, ICA may employ aliens when "suitably" qualified U.S. citizens are unavailable for employment. The phrase "suitably qualified" has, because of the lack of legislative history on the issue, been interpreted by the Agency as "minimally qualified," mandating the employment of U.S. citizens over more highly skilled foreign nationals.

It is the view of the Committee that the phrase "suitably qualified," if interpreted in a sensible and intelligent manner, is more than adequate to protect the staffing needs of Voice of America. The problem with respect to the employment of foreign nationals was created by an incorrect administrative interpretation of existing law and should be remedied through administrative, not legislative action. The Committee views the Administration's requested amendment on this issue as unnecessary and urges the Agency to correct its hiring policy accordingly.

PERFORMANCE PAY

Senator Pell introduced two amendments regarding implementation of the provisions on performance pay for Senior Foreign Service Officers in the Foreign Service Act of 1980. Senator Pell noted that a dispute has arisen between the International Communication Agency and the exclusive employee bargaining representative, the American Federation of Government Employees (AFGE), over this issue. The amendments introduced by Senator Pell were designed to clarify the Congressional intent with respect to the composition and authority of the selection boards on performance pay and the negotiability of these issues between the Agency and the exclusive representative.

In view of the fact that the ICA–AFGE dispute is currently before the Foreign Service Labor Relations Board, the Committee decided

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that consideration of Senator Pell's amendments would be premature. Senator Pell expressed his hope, and Senator Percy concurred, that this matter would be resolved in the next few weeks. If not, Senator Pell indicated that he would ask for reconsideration of his amendments when the Committee considers the Administration's package of amendments to the Foreign Service Act of 1980, which is expected to be submitted by June. The Committee agreed that it would be desirable to hold a hearing before acting on Senator Pell's amendments given the complexity of this issue.

Section-by-Section Analysis

SECTION 1—SHORT TITLE

This section entitles this Act the "International Communications Agency Authorization Act, Fiscal Year 1983."

SECTION 2(A)—AUTHORIZATION OF APPROPRIATIONS

This subsection authorizes an appropriation of $559,000,000 for the International Communication Agency for fiscal year 1983. Originally, the Administration requested $644,000,000 authorization for FY 1983. However, in reviewing the Administration's justification materials, the Committee took note of the following facts: (a) ICA intends to obligate in FY 1983 only $40 million of the $115 million it requests for the acquisition and construction of radio facilities; and (b) of the additional $43 million requested by ICA for its salaries and expenses account, over $30 million is already provided for in permanent authority contained in legislation (S. 1193) pending before a House-Senate Conference. Consequently, the Committee adopted a proposal offered by Senators Percy and Pell which eliminates both the $75 million in excess autority for radio construction and the $30 million in excess for the salaries and expenses account.

In addition to this reduction of $105 million, the Committee added $20 million to the Administration's proposal for the educational exchange programs. In taking this action, the Committee agreed to an amendment offered by Senator Pell and cosponsored by Senators Percy, Mathias, Zorinsky, Tsongas and Dodd to earmark $120,600,000 for the Educational and Cultural Affairs (ECA) Directorate of ICA for the fiscal year 1983 with specific earmarks of $84,256,000 for the Fulbright Academic Exchange programs and the International Visitor Program, $3,248,000 for the Humphrey Fellowship Program and $8,906,000 for grants to private, not-for-profit organizations engaged exchange-of-persons programs. The $120,600,000 earmark for ECA is an increase of $20,000,000 over the Administration's request and is consistent with the action of the Committee and the Senate in mandating that ICA increase, in real terms, its exchange-of-persons programs threefold over the next four years.

The Committee felt an earmark was appropriate because ICA had ignored the FY 82 continuing resolution conference report earmarking $100,000,000 for exchanges in fiscal year 1982. The Committee was also concerned over the Administration's failure to implement Section 203 of the Foreign Relations Authorization Act of 1979, mandating a significant expansion of exchanges over a four-year period beginning October 1, 1979.

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In increasing the Educational and Cultural Affairs Directorate's budget, the Committee specified that $19,400,000 of the increase should go to four established programs that have a proven record of effectiveness. These programs are:

The Fulbright Program which has brought 80,000 foreign scholars to the United States and sent 40,000 Americans abroad;

The International Visitor Program which usually brings some 1,500 future leaders to the United States and the alumni of which includes 33 current heads of state, 378 current cabinet ministers, and such leaders as the late President Sadat, former French President Giscard d'Estaing, and Chancellor Schmidt;

The Humphrey Fellowship Program which is new, but which has proven its effectiveness in bringing managers from the Third World to the United States for training in public administration; and

The private sector program which provides seed money to the many private organizations engaging in exchange-of-persons programs such as Sister Cities, Youth for Understanding, Operation Crossroads Africa, and the American Council of Young Political Leaders.

In increasing the funds available for grants to private organizations engaged in exchanges, it is the intent of the Committee that the increase be primarily used to support organizations and projects which have proven their effectiveness in years past in this program.

In earmarking the funds to increase exchange programs, the Committee noted that the Administration's request included over $80 million in authorizations which was not to be obligated in FY 83. Thus, the earmark could be made without subtracting from other important ongoing ICA activities.

The Committee accepted a proposal offered by Senator Lugar to insure that, in the event the appropriations were not sufficient to fund ongoing operations of ICA, ECA would not be unduly advantaged over other programs. Senator Lugar's proposal reduces the earmark for ECA and for the specific programs within ECA by the percentage that appropriated or otherwise made available funds are less than the amounts authorized in this bill, except that the earmarks shall not be reduced where the appropriations bill makes reductions against particular programs.

This proposal is not intended to provide ICA with reprogramming authority of any kind. The Committee notes that the earmarks for exchange-of-persons programs are floor level. Even if Senator Lugar's formula should lower these floor levels, ICA would still be obliged to expend funds at any higher level set by any appropriations legislation.

The following table compares the funding of ICA contained in the legislation now pending in Conference (S. 1193 and H.R. 4814) for fiscal year 1982 and fiscal year 1983, the President's revised fiscal year 1983 request, and the Committee's recommendation.

U.S. INTERNATIONAL COMMUNICATION AGENCY—COMPARISON OF 1983 BUDGET REQUEST WITH AMOUNTS IN H.R. 4814 AND S. 1193

[Funds in thousands]

Account	1982 request as amended March 1981 and approved in H.R. 4814 and S. 1193		1983 request as amended March 1981 and approved H.R. 4814, S. 1193	1983 request per President's 1983 budget, February 1982	Committee recommendation
	H.R. 4814	S. 1193			
Salaries and expenses:					
Overseas missions	$138,510	$146,194	$146,194	$150,777	$150,777
Broadcasting service	104,909	106,669	106,669	117,391	117,391
Education and cultural affairs	50,284	92,380	92,380	100,600	120,600
Program coordination, production, and support	37,877	39,456	39,456	46,664	46,664
Agency direction and management	34,071	33,412	33,412	37,665	37,665
Administrative support from other agencies	33,241	34,076	34,076	42,346	42,346
Subtotal	398,892	452,187	452,187	495,443	515,443
Special foreign currency program	9,110	11,451	11,451	11,327	11,327
Committee cut					−30,000
Total, salaries and expenses	408,002	463,638	463,638	506,770	496,770
Acquisition and construction of radio facilities	71,178	80,884	1,882	115,000	40,000
Center for Cultural and Technical Interchange Between East and West	14,854	16,880	16,880	18,230	18,230
Tsukuba Expo				4,000	4,000
Total, 1983 request	494,034	561,402	482,340	644,000	559,000

The Committee's recommended authorization level for fiscal year 1983 is $85 million less than the President's fiscal year 1983 request submitted in February of this year. It is $76 million more than the President's original fiscal year 1983 request submitted in March of 1981. The following is an explanation of the major elements of that $76 million increase:

Overseas missions: −$9,057,000

$1,131,000 for higher average employment and other salary changes;

$760,000,000 to transfer funding of mission programs in Egypt to dollar funding due to lack of U.S. Government-owned Egyptian pounds;

savings of $819,000 resulting from program cuts implemented in fiscal year 1982; and

all other net built-in changes resulting in a net savings of $10,129,000 due primarily to favorable exchange rate changes in fiscal year 1982.

Broadcasting service: +$3,833,000

$4,600,000 for domestic price increases and other built-in requirements necessary to maintain VOA programs throughout fiscal year 1983;

$3,562,000 for higher average employment and other salary changes in fiscal year 1982;

$485,000 for added transmission and talent costs related to expansion of Polish broadcasts by 35 hours weekly;

Savings of $1,100,000 from program cuts implemented in fiscal year 1982; and

All other net built-in changes resulting in a net savings of $3,720,000 resulting mainly from favorable exchange rate changes in fiscal year 1982.

Educational and cultural affairs: +$24,155,000

$2,509,000 for domestic price increases and other net built-in requirements necessary to maintain these programs in fiscal year 1983;

$1,566,000 for higher average employment ($1,034,000), and other built-in changes in fiscal year 1982 ($532,000); and

$20,000,000 for the enhancement of the educational exchange programs.

Program coordination, production and support: +9,091,000

$2,997,000 for higher average employment and continuation of the Foreign Service comparability pay increase to domestic Foreign Affairs Specialist employees ($2,567,000), and expansion of TV satellite programs ($430,000);

$3,000,000 enhancement for weekly transmittal of television programs by satellite to overseas audiences of selected policy statements, backgrounders and analyses of events relevant to U.S. Government Policy;

$390,000 for all other net program and built-in requirements, primarily to offset a decrease in prior year balances available for application to programs in fiscal year 1983;

savings of $1,296,000 for program cuts implemented in fiscal year 1982; and

$4,000,000 to fund U.S. participation in the Tsukuba Expo '85.

Agency direction and management: +$2,887,000

$1,959,000 for higher average employment and other changes;

$564,000 for domestic price increases, within-grade advancements, and other built-in changes in fiscal year 1982 and anticipated in fiscal year 1983;

$1,044,000 to enhance reception of the Agency's Wireless File transmissions overseas ($1,040,000) and augmentation of the Entertainment in the U.S. allowance ($4,000); and

savings of $680,000 for program cuts implemented in fiscal year 1982.

Administrative support from other agencies: +$7,597,000

$941,000 for net changes in fiscal year 1982 requirements, mainly to expand office space for the Voice of America and added administrative support payments for programs in France, Brazil and Saudi Arabia;

$3,646,000 for added payments to the Department of State and the General Services Administration to cover projected cost increases in fiscal year 1983; and

$3,010,000 for program enhancements, mainly to consolidate USICA office space in Washington.

Special foreign currency program: −$1,374,000

This net decrease results from favorable exchange rate changes and other net built-in savings in fiscal year 1982, partially offset by projected wage and price increases in fiscal year 1983.

Acquisition and construction of radio facilities: +$38,178,000

This amount includes $28,475,000 for the continuation of the construction of new high-power transmitting facilities in Sri Lanka and Botswana. An additional $9,703,000 is required to provide for the following changes: (1) $5,860,000 to reequip 19 of VOA's 26 domestic studios with new state-of-the-art equipment; (2) $500,000 to modernize VOA's Washington plant; (3) $930,000 to construct a VOA-owned satellite interconnect network to feed programs from Washington to the domestic relay stations and from U.S. based correspondent bureaus to Washington;

(4) $2,288,000 for land rental payments ($1,061,000) and purchase of antennas and associated equipment ($1,227,000) for the Government of Greece pursuant to recent negotiations to extend the agreement for maintenance of VOA relay stations there; and (5) $125,000 for other changes, mainly rental payments for the proposed transmitting facilities in the Caribbean.

Center for cultural and technical interchange between East and West: +$1,350,000

The increase in this account is requested to meet additional mandatory costs for staff and programs that will continue in effect through 1983. These cost increases consist of $426,000 to maintain Federal comparability in personnel compensation and $171,000 for other net salary changes; $461,000 for increased costs of participants; and $292,000 for increased costs of utilities, supplies and materials and other services.

SECTION 3—USE OF ENGLISH-TEACHING PROGRAM FEES

This section grants ICA the authority to credit tuition fees and other payments received in connection with the Agency's English-teaching programs to its applicable appropriations. Under present practice, ICA is required to return to the Treasury any proceeds it collects as a result of its activities. At present, many of these programs are run under contracts with binational centers overseas where ICA's authority is limited. If ICA is permitted to use the proceeds of its programs, it will be able to strengthen its program control and financial oversight. Annual proceeds from such programs are estimated at $200,000 for the first year and up to $500,000 in succeeding years. The authority provided in this section may be exercised only to the extent that it is approved in appropriations acts.

SECTION 4—BASIC SALARY RATES FOR SENIOR FOREIGN SERVICE

Section 4 clarifies the authority of the heads of foreign affairs agencies to establish procedures for the movement of senior foreign service officers from one senior executive service level to another within class without the need for reconfirmation.

The Justice Department has interpreted the Foreign Service Act of 1980 as requiring Presidential reappointment and Senate reconfirmation for a senior foreign service member moved from one pay level to another, even within a class. In contrast, in the Senior Executive Service, such movement is permitted through administrative action by the head of agency. The reconfirmation process would be cumbersome and inconsistent with the effort made in the Foreign Service Act to reduce

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the number of confirmations necessary for advancement. In addition, if used, it would place undue emphasis on the pay levels at the expense of the well-established classes carried over from the Foreign Service Act of 1946.

Committee Action

On March 23, 1982, the Director of the U.S. International Communication Agency, the Honorable Charles Z. Wick, transmitted to the President of the Senate Executive Communication 3059 which contained a draft bill to provide an additional authorization of appropriations for fiscal year 1983 for the International Communication Agency, and for other purposes. On April 26, 1982, Mr. Wick transmitted another executive communication (E.C. 3295) containing draft legislation to authorize the appropriations to fund U.S. participation at the Tsukuba Expo '85. Both executive communications were referred to the Committee on Foreign Relations.

The Committee held a public hearing on the proposal contained in E.C. 3059 on April 19th during which testimony was received from Mr. Wick presenting the Administration's justification for this legislation.

The Committee held an open mark-up session on May 6th at which time a working quorum amended and approved various provisions of the Administration's requested legislation. On May 11th, the bill adopted by the working quorum was ordered reported as a clean bill by a voice vote by a live quorum of the full Committee.

Cost Estimate

In accordance with Rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the Committee provides the following estimate of the cost of this original bill, prepared by the Congressional Budget Office:

U.S. Congress,
Congressional Budget Office,
Washington, D.C., May 13, 1982.

Hon. Charles H. Percy,
Chairman, Committee on Foreign Relations, U.S. Senate,
Washington, D.C.

Dear Mr. Chairman: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the following cost estimate on a bill to provide additional authorization of appropriations for the fiscal year 1983 for the International Communications Agency, and for other purposes, as ordered reported by the Senate Committee on Foreign Relations on May 11, 1982.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

Alice M. Rivlin, *Director.*

Congressional Budget Office—Cost Estimate

1. Bill number: S.
2. Bill title: A bill to provide additional authorization of appropriations for the fiscal year 1983 for the International Communications Agency, and for other purposes.

3. Bill status: As ordered reported by the Senate Foreign Relations Committee on May 11, 1982.

4. Bill purpose: This legislation authorizes the appropriation of $559 million for the International Communication Agency (ICA) for fiscal year 1983; permits the crediting of tuition fees and other payments received by the ICA to the Agency's appropriations, to the extent provided in advance in an appropriation act; and amends the Foreign Service Act of 1980.

5. Cost estimate:

	Millions
Authorization level:	
Fiscal year:	
1983	$559
1984	0
1985	0
1986	0
1987	0
Estimated outlays:	
Fiscal year:	
1983	427
1984	113
1985	19
1986	0
1987	0

6. Basis for estimate: The estimate assumes enactment of this legislation and subsequent appropriation of the authorization amounts by September 30, 1982. Outlays were estimated by using the Administration's outlay rates.

Section 3 of the bill authorizes the crediting of fees and other payments received by the ICA from its English-teaching program to the Agency's appropriation. This section would permit the ICA to undertake new arrangements for its English-teaching program and finance the program with offsetting collections from non-federal sources.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Joe Whitehill (226–2840).

10. Estimate approved by:

JAMES BLUM, *Assistant Director for Budget Analysis.*

EVALUATION OF REGULATORY IMPACT

In accordance with Rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the Committee has concluded that there is no regulatory impact from this original bill.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE OF 1948

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TITLE VIII—ADMINISTRATIVE PROCEDURES

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USE OF ENGLISH-TEACHING PROGRAM FEES

SEC. 808. Notwithstanding section 3617 of the Revised Statutes of the United States (31 U.S.C. 484) or any other law or limitation of authority, tuition fees or other payments received by or for the use of the International Communication Agency from or in connection with English-teaching programs conducted by or on behalf of the Agency under the authority of this Act or the Mutual Educational and Cultural Exchange Act of 1961 may be credited to the Agency's applicable appropriation to such extent as may be provided in advance in an appropriation Act.

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FOREIGN SERVICE ACT OF 1980

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TITLE 4 COMPENSATION

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SEC. 402. Salaries of the Foreign Service.—[(a)] *(a)(1)* The President shall prescribe salary classes for the Senior Foreign Service and shall prescribe an appropriate title for each class. *The President shall also prescribe one or more basic salary rates for each class.* Basic salary rates for the Senior Foreign Service may not exceed the maximum rate or be less than the minimum rate of basic pay payable for the Senior Executive Service under section 5382 of title 5, United States Code, and shall be adjusted at the same time and in the same manner as rates of basic pay are adjusted for the Senior Executive Service.

(a)(2) The Secretary shall determine which of the basic salary rates prescribed by the President under paragraph (1) for any salary class shall be paid to each member of the Senior Foreign Service who is appointed to that class. The Secretary may adjust the basic salary rate of a member of the Senior Foreign Service not more than once during any 12-month period.

(b)(1) An individual who is a career appointee in the Senior Executive Service receiving basic pay at one of the rates payable under section 5382 of title 5, United States Code, and who accepts a limited appointment in the Senior Foreign Service in a salary class for which the basic salary rate is less than such basic rate of pay, shall be paid a salary at his or her former basic rate of pay (with adjustments as provided in paragraph (2)) until the salary for his or her salary class in the Senior Foreign Service equals or exceeds the salary payable to such individual under this subsection.

(2) The salary paid to an individual under this subsection shall be adjusted by 50 percent of each adjustment, which takes effect after the appointment of such individual to the Senior Foreign Service, in the basic rate of pay at which that individual was paid under section 5382 of title 5, United States Code, immediately prior to such appointment.

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Calendar No. 612

97TH CONGRESS
2d Session

SENATE

REPORT
No. 97-430

ARMS CONTROL AND DISARMAMENT AMENDMENTS ACT OF 1982

MAY 26 (legislative day, MAY 25), 1982.—Ordered to be printed

Mr. PERCY, from the Committee on Foreign Relations, submitted the following

REPORT

[To accompany H.R. 3467]

The Committee on Foreign Relations, to which was referred the bill (H.R. 3467) to authorize appropriations under the Arms Control and Disarmament Act, and for other purposes, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill as amended do pass.

PRIMARY PURPOSES

The principal purpose of H.R. 3467 is to authorize appropriations for the Arms Control and Disarmament Agency (ACDA) for Fiscal Years 1982 and 1983. The sum authorized for fiscal year 1982 is $18,268,000, and the sum of $19,893,852 for fiscal year 1983. In each case the sum authorized includes such additional amounts, for each such fiscal year, as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates.

The bill also amends Section 45(a) to streamline security review procedures. The bill also authorizes the Agency to conduct research, development and other studies in regard to all aspects of anti-satellite activities.

COMMITTEE ACTION

Senator Percy introduced, by request, on April 10, 1981, S. 991, to authorize appropriations under the Arms Control and Disarmament Act, and for other purposes. A hearing was held on the authorization bill on April 8, 1981. The principal witness for the Agency was the Acting Deputy Director, Michael Pillsbury.

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The Administration had asked $16,768,000 for fiscal year 1982 and "such sums as may be necessary." Previous Agency authorizations were $18,876,000 for fiscal year 1980 and $20,645,000 for fiscal year 1981.

Administration funding requests—fiscal years 1982 and 1983
Arms Control and Disarmament Agency

Fiscal year 1981 authorization	$20,645
Fiscal year 1981 appropriation (CR)	17,000
Revised fiscal year 1982 request	16,768
Revised fiscal year 1983 request	(1)
Committee fiscal year 1982 recommendations	18,268
Committee fiscal year 1983 recommendations	(1)

[1] Such sums as may be necessary.

Senators Percy, Pell, and Cranston recommended to the Committee that the authorized amount for fiscal year 1982 be increased from $16,768,000 to $18,268,000—an increase of $1.5 million. Even with the increase, the amount would be substantially less than amounts authorized by Congress previously—$18.9 million for fiscal year 1980 and $20.6 million for fiscal year 1981. The Committee agreed to the increase to $18,268,000 for fiscal year 1982 and "such sums as may be necessary" for fiscal year 1983. According to testimony received by the Committee, an additional $1.5 million would probably be needed for major arms limitation negotiations for fiscal year 1982. The Committee concluded that this amount should be authorized so that the Administration will be able to move ahead with negotiations when it decides to do so. While the impetus for the increase was to allow adequate spending for resumed negotiations, the Committee was also mindful of the requirement the Arms Control and Disarmament Agency have sufficient funds for strategic arms limitation-related research, and work related to monitoring and verification of arms limitation agreements.

The Executive Branch had also asked that Section 45(a) of the Act be amended to permit the use of results of security investigations conducted by the Departments of Defense and State in clearing persons detailed from other agencies.

The Committee agreed to the amendment.

Senator Pressler proposed an amendment to specify that the Agency is authorized to conduct research, development, and other studies in regard to all aspects of anti-satellite activities. In offering this section, Senator Pressler noted the importance of discussions in regard to anti-satellite limitations and urged that the Arms Control and Disarmament Agency's responsibilities clearly include the very important issue of arms control in outer space. The Committee adopted this provision.

The Committee marked up the proposed legislation on May 4, 1981.

On May 5, 1981, the Committee agreed to report an original bill authorizing appropriations for the Arms Control and Disarmament Agency, as well as the Department of State, the International Communication Agency, and the Board for International Broadcasting by a record vote of 13 to 0. The following Senators recorded votes in favor of reporting the bill: Senators Percy, Baker, Helms, Hayakawa, Lugar, Mathias, Kassebaum, Pressler, Pell, Biden, Glenn, Sarbanes, and Cranston. S. 1193 was passed by the Senate on June 18, 1981. The Arms Control and Disarmament Agency portion was approved as reported by the Committee.

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The House did not include its Arms Control and Disarmament Agency authorization in the comparable House bill. Instead, the House treated the Arms Control and Disarmament Agency authorization as separate legislation. It was reported by the House Committee on Foreign Affairs May 19, 1981, past the House on June 8, 1981 and referred to the Committee on Foreign Relations on February 25, 1982.

At a meeting of conferees on S. 1193 on April 29, 1982, it was agreed that the Senate and the House would act on the separate House bill, H.R. 3467, with regard to the Arms Control and Disarmament Agency authorization.

The Committee marked up the bill on May 6, 1982. The Committee agreed to incorporate the Senate amendment on anti-satellite research into the bill and to delete the House provision which would have renamed the Agency. The Committee decided to accept the House recommended authorization for fiscal year 1983 of $19,893,000 in lieu of the previous Senate provision of "such sums as may be necessary."

The increase of approximately $1.6 million over fiscal year 1982 authorization represents a modest increase of less than nine percent. It was pointed out by Senator Pell in the markup that present Agency spending strictures have become so severe that the Agency is being forced to consider such options as closing down the computer operations and closing the library. The Committee ordered H.R. 3467 reported with an amendment in the nature of a substitute unanimously by voice vote.

Committee Comments

The Committee welcomes the President's new initiative for an early convening of the Strategic Arms Reduction Talks. Clearly, there is strong bipartisan support for a renewed effort to put a cap on the nuclear arms race and to achieve mutual and verifiable reductions in nuclear arsenals. The Administration has declared its intention to substantial strives in both START and Intermediate Range Nuclear Forces negotiations.

Members noted that ACDA is the only agency in the national security sphere within the Executive Branch which is enduring budgetary and personnel cutbacks. When this was pointed out in a hearing with ACDA Director, Eugene Rostow, he agreed that funding was very tight. Present plans of the Office of Management and Budget call for reductions in ACDA spending from approximately $16.7 million this fiscal year to about $15.2 million in fiscal year 1983. As a result, ACDA full time personnel levels are shrinking from about 300 several years ago to 165 presently and perhaps 154 in fiscal year 1983. To some Members, such a tight budget runs directly counter to the President's arms control initiatives and may serve to undermine them. Since the agency covers the basic cost of the START and INF negotiations—both of which are expected to be in session in 1982 and 1983—ACDA faces real challenges without the necessary funds clearly in prospect. Many Members of the Committee are concerned that such budgetary strictures may soon force the Agency to the point at which it can not function effectively internally or within the national security sphere.

Accordingly, the Committee is maintaining in this authorization its longstanding commitment to ensuring adequate funding for the Agency and for important arms control efforts in which it is involved.

SECTION-BY-SECTION ANALYSIS

FIRST SECTION—SHORT TITLE

That this Act may be cited as the "Arms Control and Disarmament Amendments Act of 1982".

SECTION 2—AUTHORIZATION OF APPROPRIATIONS

This section would amend section 49(a) of the ACDA Act (22 U.S.C. 2589(a)) to authorize appropriations for the U.S. Arms Control and Disarmament Agency for fiscal years 1982 and 1983. The Administration asked the sum of $16,768,000 for fiscal year 1982 and "such sums as may be necessary" for fiscal year 1983. The Agency's current two-year authorization is $18,876,000 for fiscal year 1980 and $20,645,000 for fiscal year 1981. This section authorizes $18,268,000 for fiscal year 1982 and $19,893,852 for fiscal year 1983. In all instances these amounts are plus additional amounts "as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other non-discretionary costs, and to offset adverse fluctuations in foreign currency exchange rates."

SECTION 3—SECURITY CLEARANCES

This section amends section 45(a) of the ACDA Act (22 U.S.C. 2585(a)) to permit the Agency, in the case of persons detailed to the Agency from other Government agencies, to use the results of security investigations conducted by the Departments of Defense and State.

The Agency has 44 reimbursable positions which are filled by individuals detailed to the Agency, primarily active duty military officers from the Department of Defense and career Foreign Service officers from the Department of State. Each year there is approximately a one-third turnover among these detailees and each year the Agency must wait many months for officers being detailed from the Departments of Defense and State to report for duty, even though these officers generally are middle to senior grade career officers with many years of service, who hold high-level clearances and often come to the Agency after working on highly sensitive issues.

The reason for this delay is that, as presently written section 45(a) of the Arms Control and Disarmament Act requires the Director of the Agency to arrange full-field background investigations through the Civil Service Commission (now the Office of Personnel Management (OPM)), for all new employees, including "persons detailed from other Government agencies". Based on the results of that investigation, the Director must determine prior to the detailee's entry on duty that the detailee is not a security risk or of doubtful loyalty. While all career Foreign Service officers and most military officers hold Top Secret clearances, these clearances are based on full-field background investigations conducted by their own agencies. However, at present the Director is precluded from using the results of a full-field background security and loyalty investigation conducted by the Department of Defense or the Department of State for a security

clearance determination, because the wording of section 45(a) requires the investigation to be conducted by OPM.

As a result, the Agency must request a new OPM investigation, which takes an average of four months to complete, for every military and Foreign Service officer detailed to the Agency, regardless of whether the individual has been previously investigated by the Department of Defense or the Department of State. Since the service of such detailees is often required on short notice, to staff or backstop delegations to international negotiations or to provide special technical expertise to the Agency, the lengthy delays required for the duplicate investigation required by the Act hamper the Agency in the efficient conduct of its business. The proposed legislation will permit the Agency to accept detailees on the basis of investigations conducted by their own agencies until an update investigation can be completed, if necessary. This is comparable to the practice of most other national security agencies, including the Departments of Defense and State.

With this amendment, the Director will have the option of determining that a proposed military or Foreign Service detailee is not a security risk or of doubtful loyalty and allowing him to enter on duty if an evaluation of the results of the full-field background investigation conducted by the Department of Defense or the Department of State justifies such action.

SECTION 4—ANTISATELLITE ACTIVITIES

This section amends section 31(b) of the Arms Control and Disarmament Act to specify that the Agency is autohrized to conduct research, development, and other studies in regard to all aspects of anti-satellite activities. In offering this section, Senator Presler noted the importance of discussions in regard to anti-satellite limitations and urged that the Arms Control and Disarmament Agency's responsibilities clearly include the very important issue of arms control in outer space.

Cost Estimate

In accordance with Rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the Committee provides the following estimates of the cost of this original bill, prepared by the Congressional Budget Office:

U.S. Congress,
Congressional Budget Office,
Washington, D.C., May 18, 1982.

Hon. Charles H. Percy,
Chairman, Committee on Foreign Affairs,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to Section 403 of the Congressional Budget Act, the Congressional Budget Office has prepared the attached cost estimate for H.R. 3467, the Arms Control and Disarmament Amendments Act of 1981, as ordered reported on May 11, 1982.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

Alice M. Rivlin, *Director.*

Congressional Budget Office Cost Estimate

May 18, 1982.

1. Bill number: H.R. 3467.

2. Bill title: Arms Control and Disarmament Amendments Act of 1981.

3. Bill status: As ordered reported by the Senate Committee on Foreign Relations on May 11, 1982.

4. Bill purpose: This legislation authorizes appropriations under the Arms Control and Disarmament Act for fiscal years 1982 and 1983, and otherwise amends the Act.

5. Cost estimate:

[By fiscal year, in millions of dollars]

	1982	1983	1984	1985	1986
Budget function 150:					
Authorization amount	18.3	19.9	0		
Less current appropriation	−16.8	0			
Net authorization	1.5	19.9			
Estimated outlays	.8	18.2	4.0	1.5	
Budget function 920:					
Estimated authorization level	.5	.7			
Estimated outlays	.5	.7	(1)		

[1] Less than $50,000.

6. Basis for estimate: The estimate assumes enactment of this legislation by June 15, 1982 and subsequent appropriation of the additional amount authorized. The net authorization for fiscal year 1982 is the amount authorized in this legislation less the amount provided for the Arms Control and Disarmament Agency in the Continuing Appropriation Act for fiscal year 1982, Public Law 97–92. Outlays are estimated using historical outlay rates. Additional pay and employee benefits estimated in budget-function 920 are based on the pay and benefit levels implicit in the authorization amount and baseline pay raise assumptions for fiscal year 1983.

7. Estimate comparison: None.

8. Previous CBO estimate: The CBO estimate for this bill as reported by the House Foreign Affairs Committee on May 13, 1981 assumed full appropriation of the 1982 authorization.

9. Estimate prepared by: Joe Whitehill.

10. Estimate approved by:

James L. Blum,
Assistant Director for Budget Analysis.

Evaluation of Regulatory Impact

In accordance with rule XXVI of the Standing Rules of the Senate, the Committee has evaluated the regulatory impact of the bill and has concluded that the legislation provides for no new regulatory activity.

Changes in Existing Law

In compliance with paragraph 11 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as re-

ported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

ARMS CONTROL AND DISARMAMENT ACT, AS AMENDED

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APPROPRIATION

SEC. 49. (a) To carry out the purposes of this Act, there are authorized to be appropriated—

[(1) for the fiscal year 1980, $18,876,000, and

[(2) for the fiscal year 1981, $20,645,000,

and such additional amounts, for each such fiscal year, as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates. Amounts appropriated under this subsection are authorized to remain available until expended.]

"*(1) for the fiscal year 1982, $18,268,000.*

"*(2) for the fiscal year 1983, $19,893,852, and year, as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates. Amounts appropriated under this subsection are authorized to remain available until expended.*"

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SEC. 45. (a) The Director shall establish such security and loyalty requirements, restrictions, and safeguards as he deems necessary in the interest of the national security and to carry out the provisions of this Act. Except as provided in subsection (d) the Director shall arrange with the Civil Service Commission for the conduct of full-field background security and loyalty investigations of all the Agency's officers, employees, consultants, persons detailed from other Government agencies, members of its General Advisory Committee, advisory boards, contractors and subcontractors, and their officers and employees, actual or prospective. In the event the investigation discloses information indicating that the person investigated may be or may become a security risk, or may be of doubtful loyalty, the report of the investigation shall be turned over to the Federal Bureau of Investigation for a full-field investigation. *In the case of persons detailed from other Government agencies, the Director may accept the results of full-field background security and loyalty investigations conducted by the Defense Investigative Service or the Department of State as the basis for the determination required under this subsection that the person is not a security risk or of doubtful loyalty.* The final results of all such investigations shall be turned over to the Director for final determination. Except as provided in subsection (d), no person shall be permitted to enter on duty as such as officer, employee, consultant, or member of advisory committee or board, or pursuant to any such detail, and no contractor or subcontractor, or officer or employee thereof shall be permitted to have access to any classified information, until he shall

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have been investigated in accordance with this subsection and the report of such investigations made to the Director, and the Director shall have determined that any such person is not a security risk or of doubtful loyalty. Standards applicable with respect to the security clearance of persons within any category referred to in this subsection shall not be less stringent, and the investigation of such persons for such purposes shall not be less intensive or complete, than in the case of such clearance of persons in a corresponding category under the security procedures of the Government agency or agencies having the highest security restrictions with respect to persons in such category.

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RESEARCH

SEC. 31. The Director is authorized and directed to exercise his powers in such manner as to insure the acquisition of a fund of theoretical and practical knowledge concerning disarmament. To this end, the Director is authorized and directed, under the direction of the President, (1) to insure the conduct of research, development, and other studies in the field of arms control and disarmament; (2) to make arrangements (including contracts, agreements, and grants) for the conduct of research, development, and other studies in the field of arms control and disarmament by private or public institutions or persons; and (3) to coordinate the research, development, and other studies conducted in the field of arms control and disarmament by or for other Government agencies in accordance with procedures established under section 35 of this Act. In carrying out his responsibilities under this Act, the Director shall, to the maximum extent feasible, make full use of available facilities, Government and private. The authority of the Director with respect to research, development, and other studies shall be limited to participation in the following insofar as they relate to arms control and disarmament:

(a) the detection, identification, inspection, monitoring, limitation, reduction, control, and elimination of armed forces and armaments, including thermonuclear, nuclear, missile, conventional, bacteriological, chemical, and radiological weapons;

(b) the techniques and systems of detecting, identifying, inspecting, and monitoring of tests of nuclear, thermonuclear, and other weapons [;], *and of all aspects of anti-satellite activities;*

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